

Statement by Peter Varga, Executive Director/CEO of the Rapid.

To the House Joint Committee with the Senate, March 17, 2005  
MDOT Transportation Service Center, Grand Rapids, MI.

There are three major issues facing public transportation planning in the Grand Rapids Metro region.

***A consistent decline in state funding.*** Transit systems in Michigan are becoming victims of their own success. As the demand for services increases, public transportation authorities are stepping up to the plate. They are serving more and more riders, they are expanding services to meet the communities need, and they are, with an extremely high rate of success, getting the financial support of their communities thorough continued and in many cases, increased, local millages. For example, in the Grand Rapids metro region, area residents voted 2-1 to support an increased millage for *The Rapid* during a time when a number of other millages failed.

However, despite this success, *The Rapid* and other agencies across Michigan are able to rely less and less on state operating assistance. This is because public transit expenses are rising and services are expanding while state operating revenues remain flat. There are many consequences, none of them good. Systems are being forced to use capital funds to meet operating expenses. This translates into an inability to purchase new equipment, implement technologies that significantly increase operational efficiency, or upgrade passenger amenities. Once this option has been exhausted, systems have no choice but to cut services or take other drastic measures to curtail expenses. Time and time again, it has been shown that public transportation benefits a community economically, environmentally, socially and even physically by encouraging walking and biking. Systems cannot continue to make these contributions if they are forced to continually react to diminishing state funding percentages.

Any serious discussion of long-range transportation planning—or short-term planning for that matter—must include identifying real solutions to the problem of stabilizing state operating assistance. Additionally, a guarantee of state match to public transit capital for federal formula and discretionary funds, or other funding sources such as the Congestion Mitigation and Air Quality (CMAQ) program, is needed to ensure that localities are rewarded, not punished, for operating, using, and supporting good public transportation.

***Providing for longer-term significant improvements to the public transportation infrastructure.*** *The Rapid* has undertaken an effort to plan for the future implementation of a high capacity system. This effort, the Grand Tomorrows Great Transit (GT2) study is currently underway; an alternative analysis is being conducted to identify the primary corridor and transportation choice for Michigan's first high capacity public transportation system. A locally preferred alternative (LPA) is expected to be approved in early 2005 and included in the Grand Valley Metro Council's long range plan. If we are to ever successfully compete with other states for the federal New Starts funding that funds these types of major corridor improvements, we must have a commitment for state match for

the next phases of the study including environmental assessments, preliminary engineering and final design of the preferred high capacity system. We must reexamine the mechanisms that are in place to provide capital and operating support, both at the state and local level, if we are to successfully capture New Starts funding. One obvious example of this is that transit systems are legally limited to a millage collection period of five years. There is no way the FTA will commit federal dollars to a major investment that can only be guaranteed for five years. We must identify and put into place funding mechanisms that can support the 20-25 year financial plan that a major infrastructure improvement requires. Needless to say, this funding cannot occur at the expense of other Michigan systems.

***An insistence on multimodal planning and implementation.*** There have been some significant strides under the current MDOT administration in looking at the whole picture when we are talking about transportation planning. However, we must go further in ensuring that all modes—and how they connect—are the focus of short- and long-range transportation planning. Non-motorized modes cannot be an afterthought. This produces a system in which all transportation aspects—roads, parking, pedestrian access, public transportation, and bicycle access work together to offer Michigan's citizens viable, safe alternatives so that they can choose how best to make a given trip. If the only reasonable option of getting anywhere is to get in a car, we are putting the health of our cities and of our citizens in serious jeopardy.